

Friends of Melinda Katz
PO Box 831
Forest Hills, NY 11375

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BY FEDERAL EXPRESS

October 27, 2000

Mr. Michael H. Young
Reports Analyst
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: Friends of Melinda Katz
ID: C00331793
Period: 1/01/00-6/30/00

Dear Mr. Young:

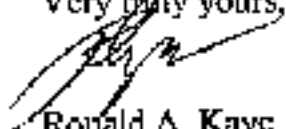
Please accept this letter as our response to your letter dated September 27, 2000 (copy enclosed) requesting information regarding loans to the RFK Democratic Organization.

Please be advised that on May 16, 2000 an amended report (copy enclosed) for the period 7/1/99-12/31/99 was filed with your office. Page 7/8, Schedule B, Line 21 shows the disbursement of the loan for \$6,000.00. Page 8/8, Schedule C, Line 9 shows the loan as repaid. The \$6,000.00 loan was due December 30, 1999 and carried a 3% interest rate. The interest was forgiven and shown as an in-kind contribution on page 5/8, Schedule B, Line 17. Since the loan was repaid during the 7/1/99-12/31/99 period it would not be present on the report covering 1/1/00-6/30/00.

In addition, the report covering the period 1/1/00-6/30/00 showed a new loan given to the RFK Democratic Organization. This loan, in the amount of \$3,500.00, is shown on page 6/7, Schedule B, Line 21. Regarding the terms of the loan on page 7/7, Schedule C, Line 9, we discussed with both you and Matt that the computer program was not allowing us to enter the terms of the loan. We agreed that the terms could be hand written on this line. Enclosed is a copy of the report, as filed, showing the hand written terms.

We hope this letter clarifies any confusion surrounding the status and terms of the loans. If you have any questions or need additional information, please do not hesitate to call me at (718) 465-7839.

Very truly yours,


Ronald A. Kaye
Treasurer

RAK/rc